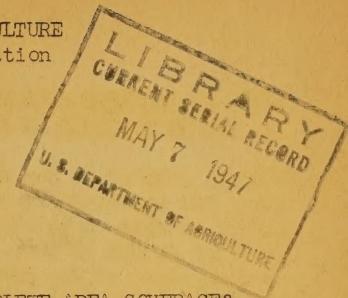


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UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration
Washington 25, D. C.

NEWSLETTER TOPICS

KNOW YOUR COOPERATIVE
(Fourth of a Series)



- Q. WHY DOES REA INSIST THAT THE CO-OPS PLAN FOR COMPLETE AREA COVERAGE?
- A. It was the general need for electricity by ALL of the rural people who did not have central station electric service in 1935 that influenced Congress to authorize the REA lending program. REA believes that Congress intended the program to meet this need in whole -- not in part. For this reason REA urges the co-ops to plan their distribution systems so that they will eventually be able to reach every rural community in their areas.
- Q. WHY DOES REA CONSIDER THAT THIS OBLIGATION RESTS SO STRONGLY UPON THE CO-OPS?
- A. Congress passed the Rural Electrification Act after REA had put in practically a full year trying to get its emergency rural electrification lending program under way through established commercial power companies. These companies usually extended electric service only into selected rural communities that would yield larger returns. Convinced that this kind of service would not reach the rural people it wanted to help on a mass scale, Congress provided for the necessary credit whereby groups of rural people who NEEDED electricity could obtain loans to finance their own power systems. That part of the law which gives non-profit cooperatives preference for REA loans implies that the NEED for service stands above all other considerations except the ability to repay the loan. It was not the intent of the law to set the cooperatives up as ordinary utilities, with the privilege of limiting their services to selected groups. REA feels, therefore, that the cooperatives are obligated to make that service available to all rural people in their areas who share the need for it.
- Q. DOES REA FEEL THAT THE CO-OPS ARE BETTER ABLE TO DO THIS THAN OTHER POWER DISTRIBUTORS?
- A. The REA cooperative is a non-profit enterprise, owned by the people it serves. It needs to earn only enough to pay the expenses of supplying service, and to meet its REA loan payments. Its members -- who are its owners -- are able to reduce its operating costs substantially through personal cooperative services like self-meter-reading and self-billing. Following designs perfected by REA engineers, the REA co-op can build sturdy, dependable distribution lines for much less cost per mile than was usual in pre-REA days. It is therefore able to extend its lines into thinly settled outlying rural communities, that commercial companies could not profitably serve, and still be able to pay off its REA loans.

- Q. ISN'T IT POSSIBLE THAT EVEN WITH THESE ADVANTAGES COMPLETE AREA COVERAGE MAY NOT BE FEASIBLE IN SOME CO-OP AREAS?
- A. Careful studies of the experiences of more than 900 REA-financed cooperatives now operating in all parts of the country indicate that the co-ops should be able to provide complete area coverage. Much of this experience covers a period of from 6 to 10 years and includes the most difficult pioneering stage of the program. More recent developments further strengthen the ability of the co-ops to plan service for all rural communities in their areas. A 1944 amendment to the law lengthened the repayment time limit on REA loans from 25 to 35 years and reduced the interest rate to 2 percent. This enables the co-ops to serve much thinner territory than they could before. Postwar statistics show a substantial increase in the use of electricity by co-op members. With each consumer using more power, fewer consumers per mile are needed to produce enough revenue to meet the co-op's expenses and its debt payments. This increase is health and permanent, as it is due to the rapidly expanding use of power in profitable farm productive channels. It continues to grow steadily as the supply of electrical appliances becomes more plentiful, and it will grow still more in the future as electricity is applied to more and more farm operations and new and better appliances are perfected.

(Note to the Manager: We know that some co-ops are having or are facing problems of low voltage or other difficulties resulting from unprecedented load growth. If your co-op is one of these your members are entitled to an explanation of the difficulties and a description of your improvement plans. It is impossible to write a newsletter article that will apply to every individual situation, but the following story is presented as a specimen to guide you in case you wish to draft such a story for your newsletter. You may have to change parts of it to fit your own situation.)

YOUR CO-OP IS MAKING PLANS TO SUPPLY MORE POWER

As most of you know, your co-op's power system is strained to the limit to supply all the power the members need. If you have had unsatisfactory service from time to time in recent months, that is the reason. It is a temporary condition, but it cannot be corrected overnight. Meanwhile, the management wants you to know why this situation exists, what is being done about it, and what you can look forward to in the way of electric service in the future.

In the first place, this problem is not confined to our system. It is common to rural electric systems throughout the country. The chief reason for the situation, with us as with other systems, is that farmers everywhere are now using several times as much electric energy as they did before the war. Our system was planned originally on the basis of the best estimates we could make of the amount of power our members would need. It soon became apparent that those estimates were too low, but by that time the war was on and we could not get the materials we needed to improve our system. Because of the great need of electric service for war production, we used what materials we could get to connect new consumers and postponed system improvements.

Our distribution system is as good as any ever built for the purpose for which it was built. Our lines have delivered and are delivering as much service per dollar invested as any other rural power lines ever built. But we are asking these lines to carry a much greater load than they were built for, and the load is growing all the time.

To take care of the immediate situation, our system needs the following improvements: (List improvements required -- new substations, relocation of substations, miles of rephasing, etc.) We are getting at those improvements just as fast as we can, but our plans are being held up by the fact that the equipment we need is still critically scarce. You can be assured that the equipment we need for improved service will be installed just as fast as we can get it.

Meanwhile, we may have to ask that you take certain steps from time to time to hold down on the use of power and level off the peak demand along the lines. Such steps will be requested only when they are essential in the interest of farmers throughout the system.

Our plans, of course, go beyond meeting the immediate situation. Eventually we will be serving many more consumers than we now have, and our system will have to deliver several times as much power as is needed today. New lines are being built with that fact in mind, and plans are being made to supply abundant power to all the consumers we will ultimately serve. In order to do that, we must be assured of access to adequate sources of power at reasonable rates. That means that the generating facilities and transmission lines on which our whole system depends for power will have to be expanded to keep pace with our expansion and improvement. This involves many problems that are going to have to be worked out with the _____ (Company) which supplies us with wholesale power.

Under our policy of area coverage, we plan to extend service to every applicant who can be reached from our lines on an economically feasible basis. Your management believes it is equally important that we furnish every consumer -- old and new -- with all the electric power he needs to do an all-round job of farming with electrical equipment.

REA SHORTS

When preparing brooder houses for the first run of chicks, it saves a lot of work and time to use the orchard or row crop sprayer for high pressure washing of inside surfaces and for applying disinfectants. A single-line high pressure hose connected to the spraying pump outlet and a trigger control nozzle gun with a flat spray are best. After using the spray rig in winter it is important to check it thoroughly to make sure that all liquids that could damage it by freezing have been removed.

Do you need more heat to dress by in the morning? More heat in the bath room? More heat while you bathe the baby? A portable electric heater is the answer.

If there's a loose screw in your car, or refrigerator, or cupboard latch, remove the screw and fill the hole with steel wool. Tighten the screw back into place; it stays tight.

Ring rot in potatoes is spread from diseased seed pieces to healthy pieces by the cutting knife. To avoid this, a scientist at Michigan State College has designed an electric seed cutting knife that will not spread the disease. It is a rotary knife, the bottom half of which runs in a bath of water kept at the boiling point by an electric heating element. The blade is motor driven.

When lightning strikes electric transmission and distribution lines, lightning arrestors protect valuable equipment connected to the lines by providing a direct path for the discharge of the excess energy to the ground.

Keep lamp bulbs clean. Cleaning a lamp bulb may increase the amount of light it gives as much as 25% without increasing the current consumption.

Studies show that when the temperature of drinking water drops below 40 degrees, laying hens drink less. And, of course, when fountains freeze over, hens get no water at all until the fountains are thawed out. Hens may drink up to 25% less in cold weather when water is not warmed and kept free of ice at all times, and production is sure to take a tumble. Small electric water warmers, inexpensive to buy and run, are one answer to the drinking problem in cold weather.

A Maryland farmer, facing the loss of a \$100 worth of feed that had been drenched on his truck in a heavy downpour, solved his problem with an emergency electric drying fan. Rather than dump the feed on the barn floor and stir it with shovels until it was dry, he put the feed bags into his small feed storage room and rigged up his small farming mill, with its big fan, $2\frac{1}{2}$ feet in diameter. Using the handy 1/3 horsepower electric motor, and operating the fan in half-hour stretches to keep the shaft bearings from burning out, the farmer was able ten hours later to get the feed dry enough for safe storage.
